

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
POWELL's VALLEY WATER DISTRICT) CASE NO. 8578-1

O R D E R

On May 26, 1983, the Public Service Commission ("Commission") entered an Order approving a purchased water adjustment clause for Powell's Valley Water District ("Powell's Valley") and authorizing an adjustment to its rates in accordance with that clause.

The Commission has noted that Appendix B, Page 3, to the Order shows usage levels for Powell's Valley's supplier's rates as "First 2,000 gallons and Over gallons" when the correct usage levels should be "First 2,000,000 gallons and Over 2,000,000 gallons."

IT IS THEREFORE ORDERED that the purchased water adjustment clause in Revised Appendix B be and it hereby is approved for Powell's Valley effective on and after May 26, 1983.

Done at Frankfort, Kentucky, this 22nd day of July, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:

REVISED APPENDIX B

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8578-1 DATED

PURCHASED WATER ADJUSTMENT CLAUSE APPLICABLE TO ALL RATE SCHEDULES

(1) The rates authorized herein are based upon the wholesale cost of water to the utility pursuant to valid contracts or wholesale tariffs on file with the Commission. For the purposes of this purchased water adjustment clause, the wholesale rate shall be considered as the base rate for purchased water and any increase or decrease in the base rate shall be considered the changed rate. In the event there is a change in the base rate, the utility shall file with the Commission the following information.

(a) A copy of the wholesale supplier's tariff effecting a change in the base rate and a statement from the wholesale supplier evidencing the effective date of the changed rate;

(b) A detailed statement of water purchased under the base rate for a 12-month period ended within 90 days of the filing date and showing billing both under such base rate and under the changed rate;

(c) A detailed statement of water sold for the same 12-month period;

(d) A balance sheet and statement of operating expenses and revenues for the most recent 12-month period for which that information is available;

(e) In the event of an increase only, evidence that the utility has notified its customers of the proposed rate revision;

(f) Revised tariff sheets reflecting the rates the utility proposes to charge; and

(g) Such other information as the Commission may request for a proper determination of the purchased water adjustment.

(2) The utility will not implement its proposed revised rates until the Commission issues an Order authorizing it to do so. If an adjustment is authorized, the supplier's changed rate shall become the supplier's base rate for use in future application.

(3) If a change is made in a base rate charged to the utility, the unit charges shall be increased or decreased by a purchased water adjustment calculated as follows:

- (a) Volume of water purchased for
12-month period ended _____
(which is within 3 months of
effective date of supplier's
rate change) _____ M Gal.
- (b) Cost at new rates \$ _____
- (c) Cost at Base Rate \$ _____
- (d) Total change in cost (Item b
minus Item c) \$ _____
- (e) Volume sold for same period
as in Item a _____ M Gal.
- (f) PWA per M gallon sold
(Item d divided by Item e) _____ ¢

Note 1: Item a cannot, for this computation table, exceed
Item e divided by .85.

In the event a refund is received from the supplier for
amounts previously paid, the following tabulations will be
made:

- (a) Total refund received \$ _____
- (b) Total amount of water estimated
to be sold during 2 month period
beginning with the first day of
the month following receipt of
the refund _____ M Gal.
- (c) Refund factor per unit of water
sold (Item a divided by Item b) _____ ¢
- (d) The refund factor may be ad-
justed in the final month to
more accurately reflect the
amount to be refunded.

In the event the utility receives a large or unusual refund, it may apply to the Commission for a deviation from the procedure for distribution of refunds specified herein.

(4) The base rate for purchased water for future application of this Purchased Water Adjustment Clause shall be:

Supplier

City of Clay City	First 2,000,000 gal.	\$1,960 minimum
	Over 2,000,000 gal.	\$.98 per 1,000 gal.